

AIG is the target of public outrage after revelations that it awarded \$165 million in bonuses to executives. AIG has received up to \$173 billion in bailout funds from the American taxpayers.

Attending the hearing by unanimous consent of a House Financial Services subcommittee, Congresswoman Kaptur asked Mr. Liddy a series of questions, including details about how AIG plans to repay the government and how long it might take.

Liddy said the company plans to sell assets, turn over life insurance companies to the Federal Reserve, and also to sell its property and casualty insurance units and devote the proceeds to paying back the government's Troubled Assets Relief Program. He said the process would take up to three years, but that he expects "material progress" quickly.

Congresswoman Kaptur, a former member of the Financial Services Committee, also asked Mr. Liddy about the fair value of the derivatives in the AIG portfolio as well as a best estimate of their trading value. He said the fair value was \$1.6 trillion, but acknowledged that he did not know the trading value.

"How much of AIG does the federal government own?" Congresswoman Kaptur asked. The answer: 79.9 percent.

A vote is expected today in the House of Representatives on legislation that would impose a tax against the bonuses that would effectively rescind them.<